To: "Jennifer Feikin" <jfeikin@google.com>, "Peter Chane" <peterch@google.com>, "David Eun" <deun@google.com>
From: "gracew" <gracew@google.com>
Cc: "Michael Baldwin" <mbaldwin@google.com>, "Francoise Brougher" <fbrougher@google.com>
Bcc:
Received Date: 2006-05-11 23:52:22 CST
Subject: Final Content team pages for Video GPS

Please find attached final version for integration with product deck. I talked this through with Dave Eun too and he has OK'd also.

Grace

Attachments:

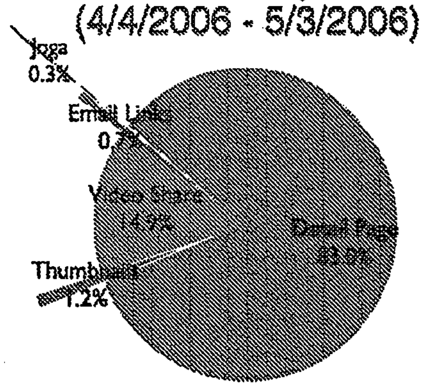
060511 Video GPS content pages FINAL.ppt

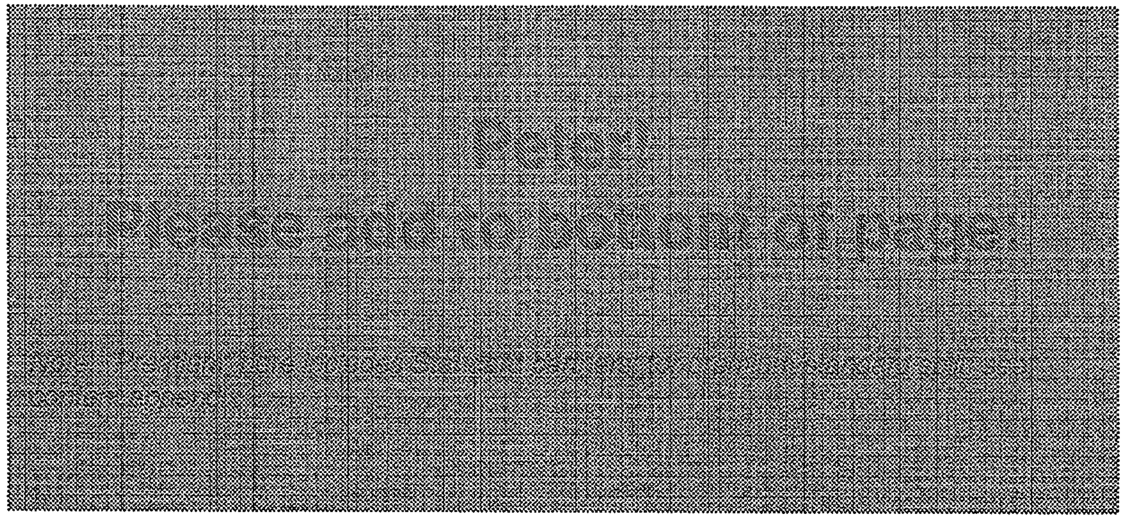
DATE: 5-6-09 EXHIBIT# 8
DEPONENT: Schmidt, E
CASE: Viacom, et al., v. YouTube, et al., The Football Association Premier League, et al., v. YouTube, et al., Case Nos. 07-CV-2203 and 07-CV-3582

A. Ignacio Howard, CSR, RPR, CCRR, CLR, No. 9830

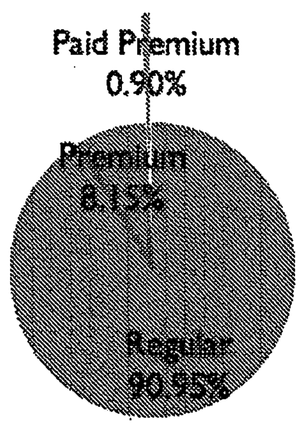
Lessons learned to date: traffic and content acquisition

Source of Playbacks
(4/4/2006 - 5/3/2006)

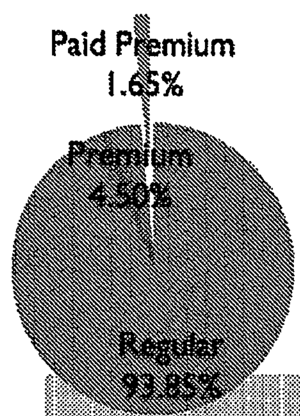




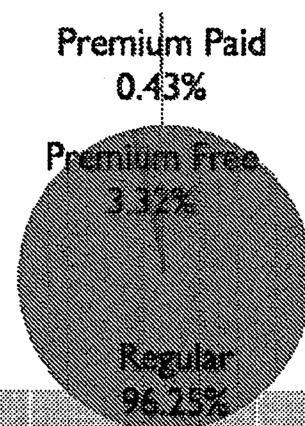
Source of content



Plays of content



Downloads



-Content from online program is dominant source for acquisition and usage

-DTO sales low

* source/plays/downloads from 5/3/06

Google

Peter's how we are going to win page goes here

Google

Focus in the next 9 months

- Get more traffic:
  - Focus on user-generated content
  - As resource trade-off, deprioritize premium content
  - Make the site more viral
- Get more uploads:
  - Focus on user uploads
  - Reduce hurdles to bring content online
- Get free content through monetization:
  - Ads trials
  - Ads roll-out

Peter's roadmap pages go here

Google

Content Acquisition Strategy Update

Google

Premium Content Owners – Lessons Learned

- They still believe their content is king
- They live by promotion, Google does not
- They don't like their content mixed with user-submitted content (better promotion is possible compromise)
- They feel sudden pressure to develop viable online models
- They realize that their #1 current threat is piracy, not cannibalization of current revenue streams through legitimate online use
- They want to "get in the game" and aren't solely focused on short-term revenue
- They want true distribution partner, not just technology platform
- They want to create new "online content" and want funding partners
- They acknowledge You Tube can provide some level of promotion, but (mainly) perceive You Tube as trafficking mostly illegal content – "it's a video Grokster"

Google

Content Acquisition Challenges

Common complaints and deal hurdles from current and prospective partners:

- Disappointing DTO sales and support, and lack of product improvements
  - Significant delays in bringing time-sensitive content online (e.g., CBS and NBA)
  - Can't find partner content
    - Poor search quality, Poor basic browse functionality
    - Lack of content promotion
  - Delays in both one box and RSS integrations
- Perception that Google has priorities that conflict with partners'
  - Perception of focus on user-generated content
  - Lack of web crawl for video, esp. RSS
  - Appearance of GV as walled garden vs. "switchboard"
- Apparent lack of understanding of premium partner needs/desires
  - Inflexible # of downloads (fixed at 10; partners want industry std 3-5)
  - Limited value of connected DRM, and no device support
  - Partners live by promotion; Google doesn't seem to get this whereas our competitors do
  - Lack of ad or other monetization models
  - Occasional mistakes in filtering copyright infractions
- Partners' own confusion and inability to migrate old models to the web

Google

Google Video premium deal status (existing iTunes deals)

	Content Owner	GV deal status	Hurdles to deal
TV	**CBS**	• Have deal -- iTunes does not have deal	
	ABC (incl ABC, ABC Family, Disney, ESPN/ABC Sports, Jetix, SOAPnet)	• No deal	• Perceive implementation troubles in GV history • Copyright violation in GV index • Want to control their experience
	NBC Universal (incl. Bravo, USA)	• No deal	• Promotion • Functioning search and browse • Limited downloads
	CSTV/CBS Sports, Showtime	• Have deal with CSTV • No deal with others	• Limited downloads
	Fox (incl Fx, FuelTV, Speed)	• No deal	• $$ guarantee • Promotion • Functioning search and browse • Limited downloads
	MTV Networks (MTV, Comedy Central, Nickelodeon, The N)	• All same content in Google deal in deal folder	• New MTV head wants "larger Google deal"
	NBA TV	• Deal with some of the content - now at new iTunes prices	• Low sales $; want higher sales • Want to test diff. content on different platforms
Music	**UMG**	• No deal	• Limited downloads • Indemnify synch rights after 1 download
	SonyBMG	• Have deal	
	EMI	• No deal	• Limited downloads
	Warner	• No deal	• Limited downloads

Google

Short-term content activities reflect current product priorities while maintaining relationships for long-term success with premium content

	Premium	"Torso"	User-Generated
Today's Action Steps	• Maintain relationships w/ premium owners and reset expectations • Focus on promotions and event programming • Do RSS feeds (when ready)	• Accelerate growth of torso content • Acquire more international content • Continue digitization efforts	• Develop community tools and explore deals to contribute premium content to user-generated activities
Target Content and Market	• Every TV /Major Cable network (CBS, ABC, Fox) • Movie studios • Music labels • iTunes • Yahoo • AOL • MSN	• Smaller cable networks • Educational/DIY • Special interest verticals • Niche content • University Lectures • Archives (e.g., NARA)	• YouTube • MySpace • Grouper • Veoh • 100+ small sites

Google

Final Recommendations/Asks

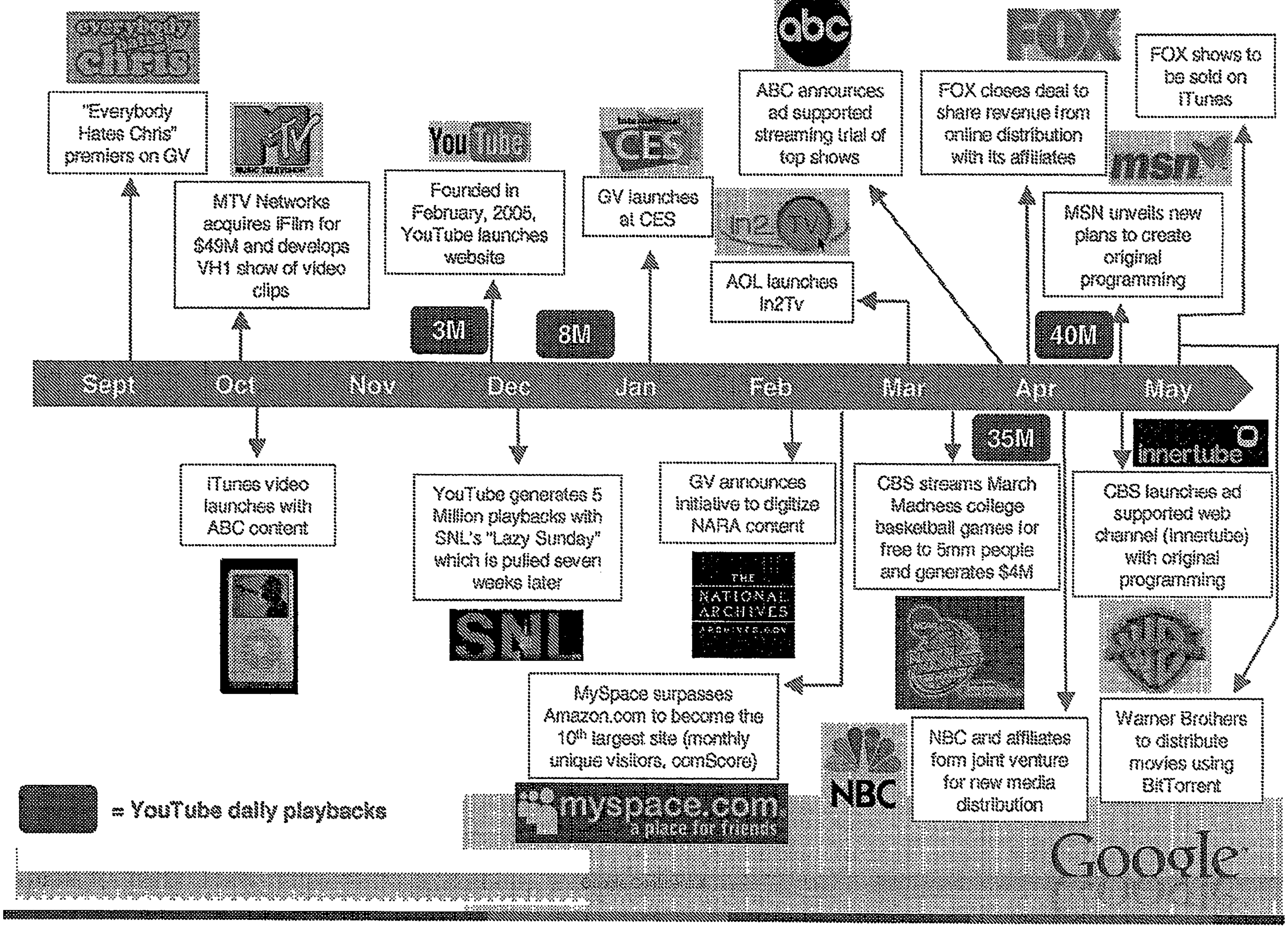
Asks of EMG:

- Acknowledgement that premium content is being ***significantly de-prioritized*** relative to initial CES focus (therefore, many premium DTO deals are delayed)
- Agreement that ultimate goal should be providing most comprehensive content offering possible (premium, torso and long tail), and help set timetable for premium

Google

Appendix – Content Pages

How has the market evolved since CES?



How do we win?

GV can use scale and expertise to have most comprehensive content offerings – from head to tail

- Content types: premium, user generated, torso - which is key differentiator (show curve and add comments)
- Content genres/verticals: entertainment, sports, lifestyle/how to/DIY, archives, news, education, niche, etc.

GV can be best user experience

- Improve search not just hosted content but for all web video content
- Provide linkages such as RSS feeds and one-box integration in meantime
- Drive open standards and distribution deals so users can consume content across multiple devices, especially linking PC to TVs

GV can be best partner to content owners

- Respect copyrights of premium content owners (we should beat YouTube by improving features and user experience, not being a "rogue enabler" of content theft)
- Provide best in class marketing/promotion of content, particularly "event" programming: Online Film Festivals; supporting "Tentpole" movie and tv shows launches; Superbowl ads; Oscar trailers/content
- Provide a platform for promotion and distribution for torso content owners who have professional content but limited access to audiences
- Provide community tools for voting, rating, tagging, commenting, recommending, mashing, etc. and give access to all types of content, including select premium/torso content

GV can provide multiple monetization options (Advertising; Sponsorships; DTO) and leverage expertise in Advertising in particular

- The way to win ultimately is in providing multiple monetization options, particularly advertising which can be applied across all content types

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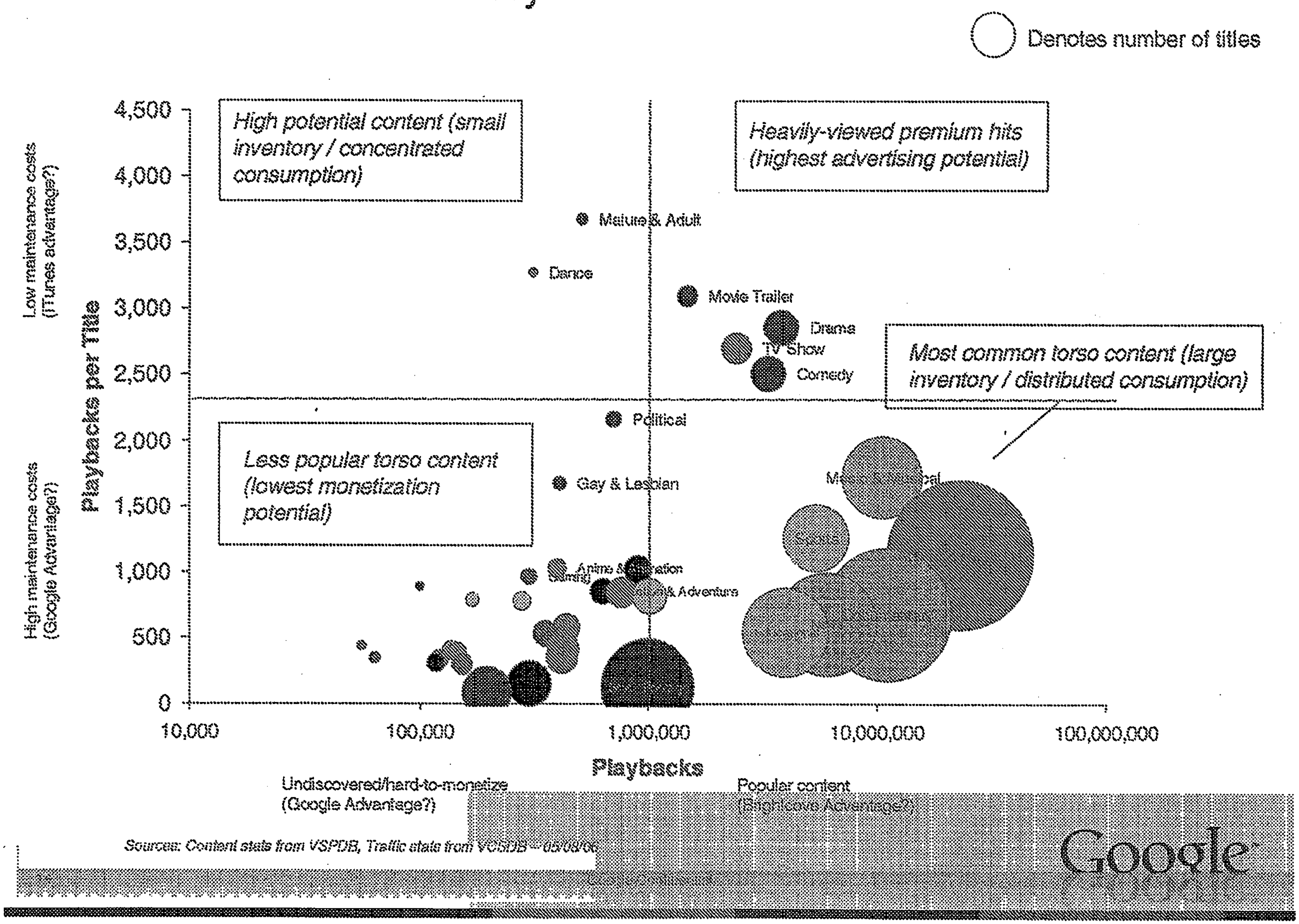
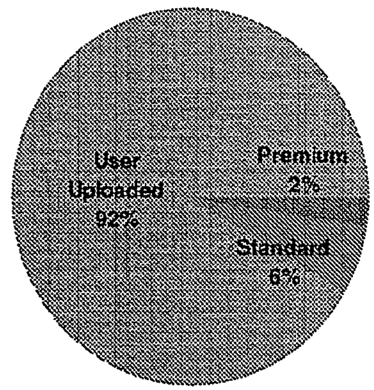
Partner Content Inventory



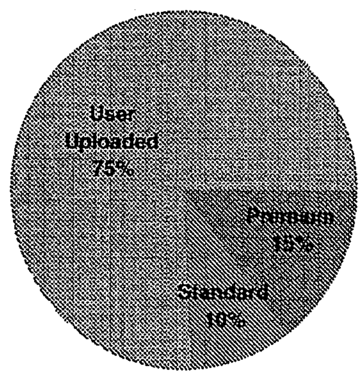
Overall consumption of partner content is played in proportion to its availability in the index

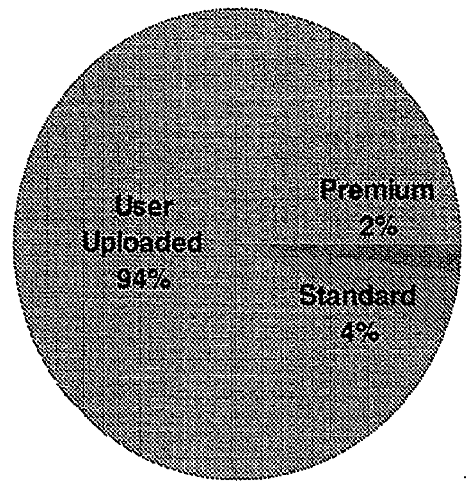
Acquired | **Consumed**

Video Titles Live in Index (total 0.7MM)



Video Hours Live in Index (total 49K)



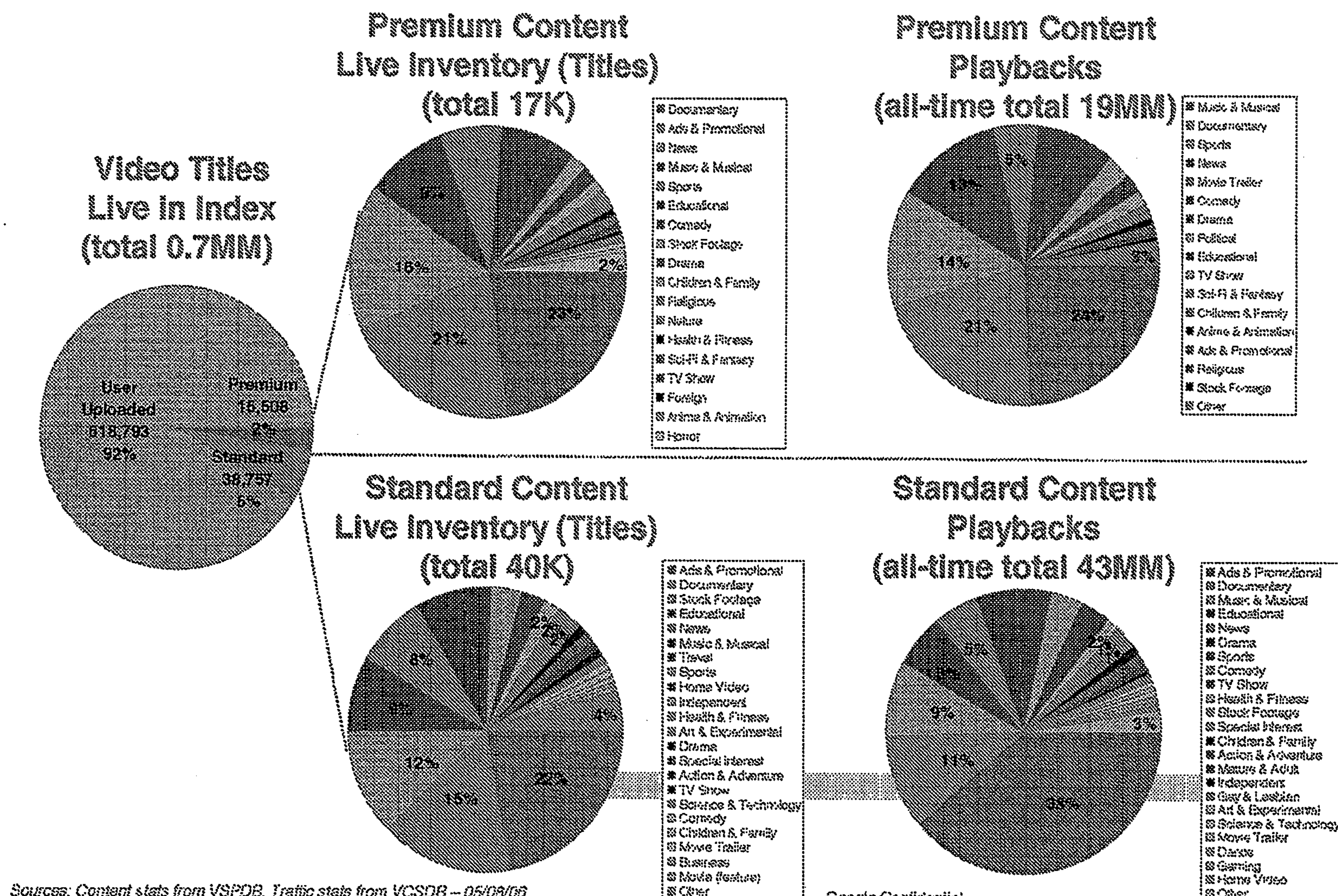


Video Titles Played (2006) (total ~1Bn)

Sources: Content stats from VSPDB, Traffic stats from VSPDB – 05/08/06

Google

Of the wide range of partner content we have acquired, premium music and standard ads are most often played



Sources: Content stats from VSPDB, Traffic stats from VCSDB – 05/08/06

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